

support and put up with. We in Congress are focusing on transparency right here. We talk about it a lot. It is embarrassing to me that our colleagues have seen this budget be reduced.

This chart gives a clear indication of just how significant overall the problem is we are dealing with. From 2001 to 2007, 796 people were convicted. Most of them pled guilty, and court-ordered restitutions totaled \$101 million. But I indicated to you that less than 5 percent of the unions per year are being audited, and it appears that for every four of the audits that are conducted, about one person is convicted of something, on average. So we have a problem, we really do. And I submit it is not because people are necessarily bad people. Some of them may be, but a lot of it is because there is no real oversight and accountability, and temptation is too great.

I have been a prosecutor for 15 years. I will tell you, you give people lots and lots of money, it goes through their hands and nobody is watching it. Temptation takes over, and you will rightly expect problems to occur if you don't have tight fiscal controls. We don't have it. I think we need to have a lot more emphasis in this area than we do, other than just a \$3 million increase in this department. It is obvious.

We hear a lot of talk about integrity in here about our financial disclosures and other things. Well, if we don't do our duty, people will complain. If businesses don't file their reports, they will complain. And we need to make sure unions do the same, not to beat up on unions but to help unions have integrity.

Now, not to be monotonous—and I find this remarkable—but some may say, well, they are abusing unions and picking on people. But the conviction rate is 95 percent—95 percent of all indictments have resulted in convictions. They do not always get big sentences. I thought some I have seen were pretty light. But the point is, if you are convicted of these kinds of offenses, you lose your leadership position in a union, and that is important. So if you are stealing from a union, you ought not stay in as an officer.

So I would just suggest that from my review of the cases, people are not being abused. They are being fairly treated. Overwhelmingly, the defendants are pleading guilty, and restitution is being made. People who are corrupt are not being able to remain in office to keep their hands in the till where the money is.

The legislation that requires this is not new. This law has been on the books for some time. I will admit that we been very lax, and it was not being enforced, but the conviction rate, the amount of restitution, the number of fraud cases per audit indicates that was not a good decision. And if the audit rates had been maintained, I submit we would have had a lot less crime and fraud and loss of union members'

money. This occurred in 1959. One of the leaders of it was our own Senator ROBERT BYRD. He spoke earlier today. He has been here a long time. He was here in 1959 when this bill passed. And as a Senator from West Virginia, a State with a strong union heritage, a proud union heritage, he decided to vote for this bill.

The bill was actually introduced and led by Senator John F. Kennedy. This is what Senator Kennedy said at the time.

The racketeers will not like it, the antilabor extremists around the country will not like it, but I am confident that the American people, and the overwhelmingly honest rank and file union members, will benefit from this measure for many years to come.

And until we stopped enforcing it a few years ago, or got lax, it has been beneficial. I think the work that is being done now, the \$101 million in restitution, indicates that progress has been occurring that has benefitted union members.

Now, Senator BYRD wrote a letter that was included in the CONGRESSIONAL RECORD in response to certain criticisms he received from a district president of a union in West Virginia. They sent a letter of condemnation, and Senator BYRD was direct about it. He responded:

The bill which passed the Congress will not hurt honest unions, and it will give added protection to the rank and file members in the unions. Honest union leaders have nothing to fear from this legislation. The corruption and racketeering that have been revealed in the fields of both labor and management made it imperative that some kind of legislation be enacted.

And I think that remains as true today as it was when he made those comments in 1959.

Madam President, since 2001, OLMS has only had the resources to audit 3,275 of the 26,000 unions on record. That means in the past 7 years combined, only 12.5 percent of the unions have been audited. It is able to audit only about 2 to 4 percent of the unions each year. It is important to note that unlike corporations, unions are not required by law to have outside auditors. Most corporations have to have outside auditors. So in many cases, this audit is the only outside audit a union will have.

In 2000, OLMS only did 204 audits out of well over 20,000 unions. That is the equivalent of a union being audited once every 133 years. Last year, they did 736 audits, a better number, but that still translates into an audit only once every 33 years at that rate. It is better, but I think we need to do a lot more.

With the \$2 million reduction in funding which is currently in the bill, it is estimated there will be approximately 350 fewer audits each year, and that is almost cutting the number in half. So we should be seeking more, really, considering that from those 3,267 audits that were completed there came 827 indictments and 796 convic-

tions. OLMS has been funded below the President's requested levels over the past several years. Yet if the proposed cuts in the bill are implemented funding will drop from \$47.7 million to \$45.7 million. That is below last year's budget. So I would just note again that we had 427 employees in this department in 1990. It fell down to 260, it has been inched up to 331, and if this bill passes in this form, cutting the budget, we are going to see a loss of personnel instead of an increase in personnel. We ought to be closer to the 400, it seems to me. OLMS was the only enforcement agency in the Labor Department that received a budget cut during the congressional markup.

Let me mention this story of the United Transportation Union. We have a picture I think is sad. It is a picture from an undercover operation. The person who is handing off this money that is on this picture is a UTU-designated legal counsel by the name of Victor Bieganowski. The person receiving the money is John Russell Rookard, 58, of Olalla, WA, a top special assistant to Alfred Boyd, Jr., UTU president at the time this bribe money was paid.

In 2004, Boyd, the international president of the Nation's largest railroad operating union, pleaded guilty to participating in a bribery scheme involving Houston lawyers. Union officials extorted bribes from the lawyers in exchange for access to injured union members.

A March 12, 2004, Houston Chronicle article explains that Byron Alfred Boyd, Jr., of Seattle, is the last of four officials of the UTU to plead guilty in a plan to extort bribes from lawyers in exchange for access to these injured members.

Boyd admitted using the bribes he was paid—get this—to gain control of the union. He persuaded former union president Charles Leonard Little of Leander, near Austin, to resign in exchange for \$100,000 and a new pickup. This would allow him, Boyd, to assume the presidency of the union. Little resigned, but I guess he didn't get a promissory note or a mortgage because he was never paid his \$100,000. Boyd not only stole from his union and breached the trust of his union members, he didn't pay the man he promised to pay to give up his office. Little pleaded guilty last year, as did former union insurance director Ralph John Dennis.

We have too many examples of this kind of disregard for the integrity of the funding of unions. People are being entrusted with this money, and it is not being managed well. And it is something that we need to do more about, in my view.

Madam President, I would just share a few other examples which I think are instructive of some of the problems that have occurred in recent years.

In Pennsylvania, in June of 2007, in the eastern district of Pennsylvania, Lawrence Marable and Deborah Powell, former president and treasurer of AFGE Local 1793, representing employees at the VA Medical Center, both